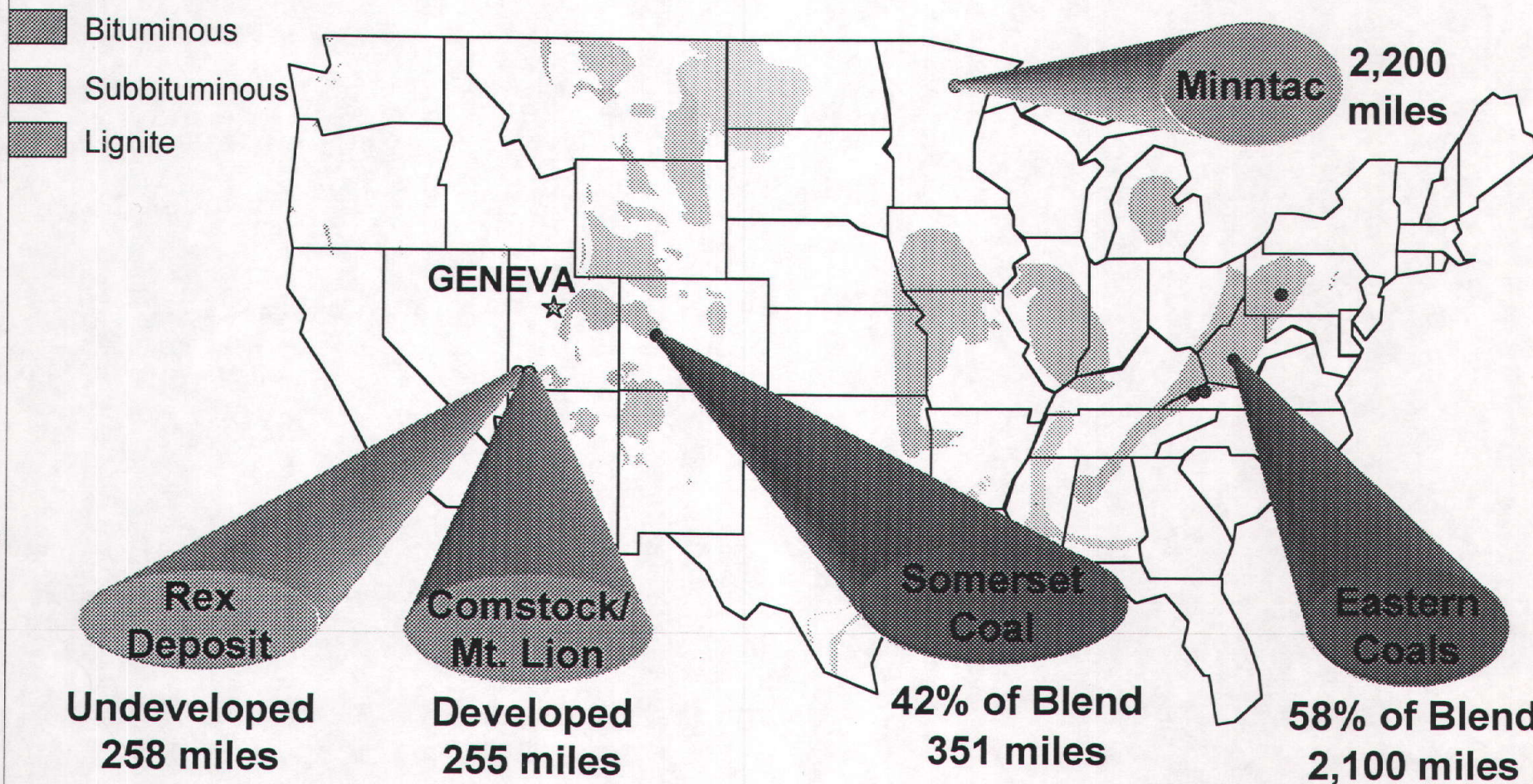


M/021/008

0007

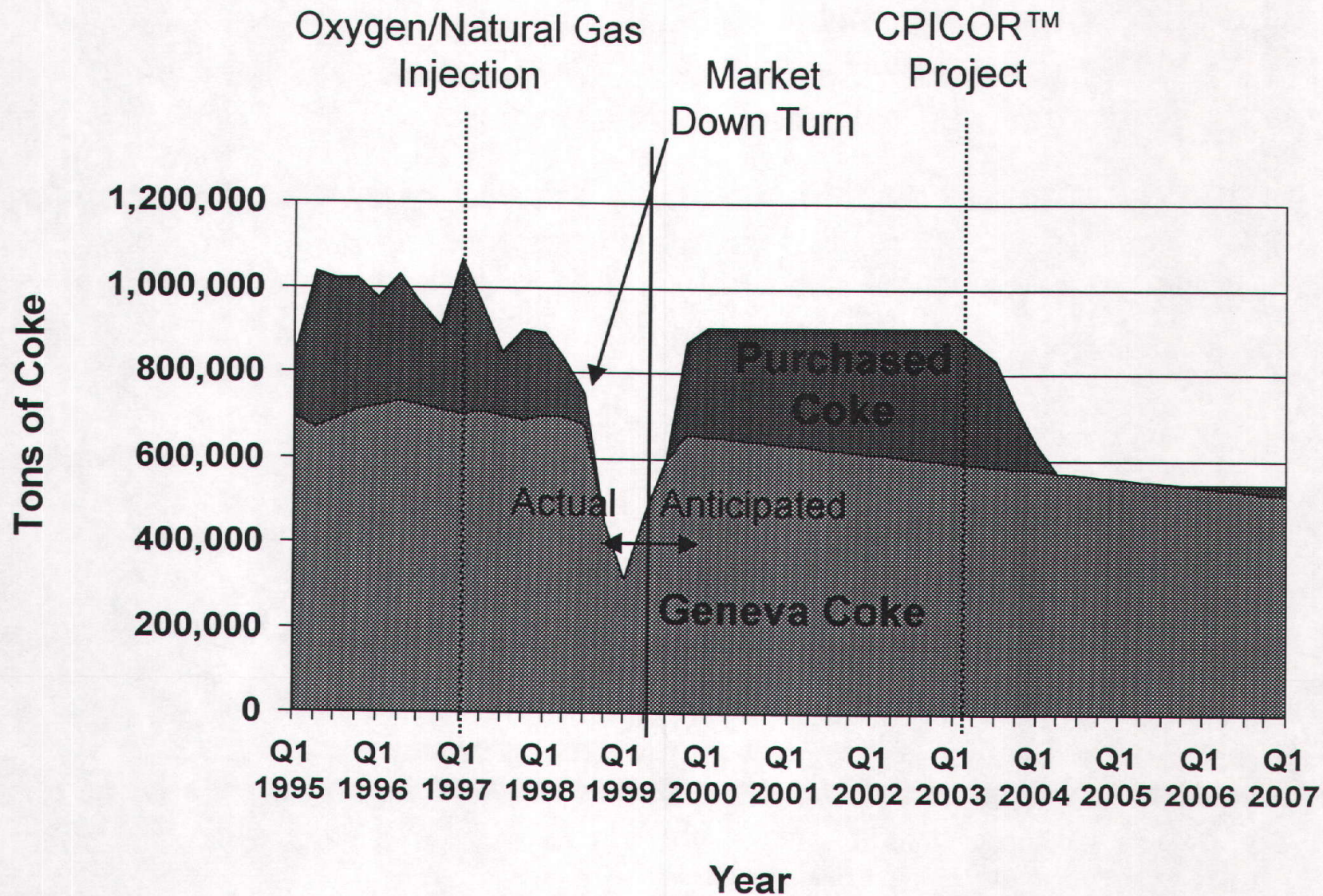
Sources of Geneva Raw Materials



Raw Material Strategy

- How to Reduce Dependence on Expensive Foreign Coke?
 - Increase Natural Gas and Oxygen Injection
 - Direct Reduced Iron
 - CPICOR™ Cokeless Ironmaking
- How to Replace Purchased Pellets with Low-Cost Iron Units?
 - Hardballs
 - Direct Reduced Iron
 - CPICOR™ utilizing Southern Utah ore

Future Coke Requirements



Coke Savings

The CPICOR™ Project would allow Geneva to:

- Reduce Coke Requirements by 450,000 Tons Per Year
- Break Free from Fluctuating Global Coke Prices
- Utilize Significant Quantities of Local Low Cost Coals

Geneva's Iron Ore Reserves

	MM Tons	% F
Lean Ore Stockpiles	13.8	42.0
Comstock/Mountain Lion	<u>30.9</u>	<u>47.4</u>
Total Developed	44.7	45.7
Undeveloped (Rex Deposit)	<u>100.5</u>	<u>40.3</u>
Total Ore Reserves	145.2	42.0

Ore Savings

The CPICOR™ Project would allow Geneva to:

- Use Without Limit Utah Ores
- Use In-plant Reverts
- Develop and Use Other Western Ore Deposits

CPICOR™

Benefits to Geneva

- Replaces Conventional Coke/Iron Production for about \$200 - \$250 Per Ton of Annual Capacity Including Beneficiation
- Achieves Lowest Hot Metal Costs around \$100 Per Net Ton
- Ensures Geneva's Long Term Profitability through Low Cost Extensive Western Ore and Coal Reserves

Clean Coal Technology Program

- This Program is a Unique Partnership between DOE and Industry
- Primary Goal is to Demonstrate New Advanced Coal-Based Technologies
- If Projects are Successful and Commercialized, Federal Funds are to be Repaid

CPICOR Cooperative Agreement

Signed with the DOE October 11, 1996

Primary Objective

Demonstrate a **Clean Power** from Integrated
Coal/Ore Reduction System

Technical Objectives

Demonstrate an Integrated new Technology which
Produces Hot Metal for Use in Steelmaking and
Clean Electric Power for Utility Distribution